

*Amended*  
 money on the medium; and

transferring from the non-settled account of the financial institution to accounts of the sellers an amount of money responsive to the identityless electronic monetary transactions with the electronic money.

### **REMARKS**

In the Office Action mailed March 21, 2002 elected claims 18-24 were rejected under 35 USC 112, second paragraph, as being indefinite and under 35 USC 102/103 for being anticipated/unpatentable over Halpern #1 (US Patent No. 3,609,300), Halpern #2 (US Patent No. 3,870,866), Oka (US Patent No. 3,984,660) and Kiyama (US Patent No. 4,288,688). However, the Applicants assert that the rationale for the rejections based upon the prior art of record is not clear. Nevertheless, to expedite prosecution, the Applicants traverse any rejections because the claimed invention is not disclosed or suggested by the relied upon references.

In the Office Action mailed March 21, 2002 the Examiner noted that claims 18-24 were pending for prosecution, and rejected claims 18-24. Claims 18-24 are amended to clarify the patentably distinguishing features of the invention. However, the amendments do not narrow the claims for overcoming the relied upon references because the Office Action is silent on where/how the relied upon references disclose or suggest the claimed invention. Claims 18-24 remain pending for reconsideration, which is requested.

No new matter has been added in this Amendment. The foregoing rejections are traversed.

### **35 USC 112 Rejections**

The 35 USC 112 rejections appear to be repeated from the previous Office Action mailed January 22, 2001. The Applicant's response filed April 23, 2001, which are not repeated here, traversed such 112 rejections by reading the claims on the specification and the drawings. Therefore, withdrawal of the 112 rejections is respectfully requested.

### **Negative Limitation**

Regarding the Examiner's negative limitation argument, MPEP 2173.05(i) provides guidance regarding negative limitations. In particular, the current view of the courts is that there is nothing inherently ambiguous or uncertain about a negative limitation. So long as the boundaries of the patent protection sought are set forth definitely, albeit negatively, the claim

complies with the requirements of 35 USC 112, second paragraph.

Further, using claim 18 as an example, claim 18 recites the present invention in terms of what is the invention and does not recite a negative limitation. The present invention's electronic money has cash characteristics. Cash accommodates identityless transactions; therefore the electronic money of the invention accommodates identityless transactions. An Identityless electronic monetary transaction implies transferring of money information stored in an electronic medium, such as a computer storage device or an electronic card, and specifying an amount of money to a seller, wherein the information is equivalent to cash. Claim 18 recites a business method of "replacing cash with an electronic medium storing information equivalent to cash, the information having characteristics of cash to accommodate identityless monetary transactions with sellers."

#### **Distinctions of the Claimed Present Invention over the Prior Art of Record**

An Identityless electronic monetary transaction implies transferring of money information stored in an electronic medium, such as a computer storage device or an electronic card, and specifying an amount of money to a seller, wherein the information is equivalent to cash.

Typically, information used as electronic money does not have characteristics of cash because the information can only be used with a seller corresponding to/recognizing the information. Typical cashless transactions (i.e., using a train fare card or tokens or a prepaid card) are static (not dynamic) and limited to performing transaction with a single seller (entity) because these methods associate a seller's information with information as electronic money, thereby limiting transactions with the seller's specific information.

In contrast to typical cashless transactions, the claimed present invention provides a patentably distinguishing business method to perform a cashless commercial transaction using electronic money equivalent to cash by allowing cashless monetary transactions similar to conventional cash transactions that do not require identity of an individual or the individual's account information for completing the transaction and allowing transactions with two or more different sellers.

In the present invention, the electronic information has cash characteristics as follows. For example, the present invention associates financial institution information with the electronic money, which accommodates identityless electronic monetary transactions with any seller similar to cash transactions. *See, for example*, page 45, lines 19-25; page 51, line 14 to page 57, line 10 of the present Application. Therefore, the present invention provides a patentably distinguishing feature of "information having characteristics of cash to accommodate identityless

monetary transactions with sellers.” The identityless electronic monetary transactions with the sellers involve transferring the stored information equivalent to cash from the electronic medium to the sellers.

### **35 USC 102/103 Rejections**

#### **PRIOR ART**

##### **Halpern #1**

Halpern #1 discloses a system for calculating and recording fares in public transit systems. In particular, Halpern #1 relates to electronic transit tickets or electronic tokens holding fare values (col. 7, lines 57-60 and claim 1). However, Halpern’s system is carrier (i.e., seller) specific. Therefore, in Halpern #1, any underlying business method is limited to performing transactions using an electronic token with a single seller, such as a transit carrier accepting tokens issued by the transit carrier. Business methods based upon Halpern #1 do not contemplate or suggest the present invention’s distinguishing feature of “information having characteristics of cash to accommodate identityless monetary transactions with sellers.” Claim 18.

##### **Halpern #2**

Halpern #2 discloses a system for displacing the employment of currency by employing an encoded token having an initial value in excess of a single transaction (col. 2, lines 40-44). However, Halpern #2 relates to automatic charging of service fees in pay stations and is merchant specific (Halpern #2, claim 1). In Halpern #2, the term “pay station” in view of the specification is limited to stations operated by a merchant issuing the electronic tokens (col. 4, lines 17-19; col. 5, lines 24-27). In particular, Halpern #2 does not disclose or suggest, and is silent, on using a single electronic token to accommodate a monetary transaction in both a transportation system and a public telephone system. In Halpern #2, the transportation system and the public telephone system each would support their own specific and separate electronic tokens. Therefore, electronic tokens of Halpern #2 as well as Halpern #1 do not have the present invention’s patentably distinguishing feature of “information having characteristics of cash to accommodate identityless monetary transactions with sellers.” Claim 18.

##### **Oka**

Oka discloses an apparatus issuing a card having a predetermined monetary value. The arguments regarding Halpern also apply to Oka. In particular, Oka does not disclose or suggest, and is silent on using a single electronic card to accommodate a monetary transaction with two

or more sellers. In Oka, any underlying business method is limited to performing transactions using an electronic card with a single seller, such as a transit carrier accepting electronic cards issued by the transit carrier. Therefore, electronic tokens of Oka, Halpern #2, and Halpern #1 do not have the present invention's patentably distinguishing feature "information having characteristics of cash to accommodate identityless monetary transactions with sellers." Claim 18.

### **Kiyama**

Kiyama discloses a toll road terminal machine using a transit ticket. The arguments regarding Halperns and Oka also apply to Kiyama. In particular, Kiyama does not disclose or suggest, and is silent on using a single electronic card to accommodate a monetary transaction with two or more sellers. In Kiyama, any underlying business method is limited to performing transactions using a transit ticket with a single seller, such as a toll collection company accepting a transit ticket issued by the company. Therefore, electronic tokens of Kiyama, Oka, Halpern #2, and Halpern #1 do not have the present invention's patentably distinguishing feature of "information having characteristics of cash to accommodate identityless monetary transactions with sellers." Claim 18.

## **CLAIMS**

Claims 18, 20, 21, 22, and 23 are the elected pending independent claims in the present Application. These claims in relation to the overall cashless system according to the invention are directed to a business method to replace cash with electronic money equivalent to cash that can accommodate identityless cashless monetary transactions with sellers, which is at least one primary cash characteristic. Claim recitations of the present invention are as follows:

### **Independent Claim 18**

In claim 18, the electronic money has cash characteristics by allowing identityless monetary transactions. The business method of the present invention as recited in independent claim 18 provides "replacing cash with an electronic medium storing information equivalent to cash, the information having characteristics of cash to accommodate identityless monetary transactions with sellers" (emphasis added).

### **Independent Claim 20**

In claim 20, association of financial institution information with electronic money provides electronic money that has characteristics of cash. The business method of the present invention as recited in claim 20 provides using electronic money to perform a cashless commercial

transaction, including the feature of not requiring an identity of an individual or the individual's account information for completing a transaction, similar to a conventional cash transaction. As in a conventional cash transaction, an individual is not limited to performing transactions with a single seller.

The present invention as recited in claim 20 provides "storing, as electronic money, information equivalent to cash and financial institution information associated with the electronic money, wherein a holder of the medium performs identityless cashless monetary transactions using the electronic money with any one of the sellers communicating with the financial institutions" (emphasis added).

#### **Independent Claim 21**

In claim 21, use of a non-settled fund can accommodate identityless cashless transactions similar to a conventional transaction using cash. The business method of the present invention as recited in claim 21 provides performing a cashless commercial transaction using a non-settled fund by a financial institution from which a seller's account can be settled responsive to an identityless cashless monetary transaction.

The present invention as recited in claim 21 comprises:

storing in a non-settled account of a financial institution an amount of money responsive to an amount of money withdrawn as electronic money from accounts of the financial institution; and

settling funds between accounts of sellers and the non-settled account responsive to identityless cashless monetary transactions using the electronic money between the sellers and holders of electronic mediums storing the electronic money (emphasis added).

#### **Independent Claim 22**

In claim 22, in a point of sale terminal association of electronic money with a financial institution allows identityless cashless monetary transactions. The business method of the present invention as recited in claim 22 provides performing a cashless commercial transaction using a point of sale terminal (POS) to store, as electronic money, information representing amounts of money responsive to identityless cashless monetary transactions, including financial institution information corresponding to the electronic money. The information in the POS is used to settle a seller's account at a financial institution.

The present invention as recited in claim 22 provides "storing in a point of sale terminal, as electronic money, information equivalent to cash responsive to identityless cashless monetary transactions with buyers and information of a financial institution associated with the electronic

money, wherein a seller receives from the financial institution an amount of money responsive to the electronic money" (emphasis added).

**Independent Claim 23**

The present invention as recited in claim 23 provides a method of:

performing a cashless transaction with sellers, comprising:  
storing on an electronic medium, as electronic money,  
information equivalent to cash; and  
allowing identityless electronic monetary transactions  
between a holder of the electronic medium using the electronic  
money and any one of the sellers. (emphasis added).

**CONCLUSION**

The references of record do not disclose or suggest the patentably distinguishing feature of "information having characteristics of cash to accommodate identityless monetary transactions with sellers" (claim 18). Withdrawal of the rejection of claims 18-24 and allowance of claims 18-24 is respectfully requested.

Attached hereto is a marked-up version of the changes made to the claims by the current amendment. The attached page is captioned "**Version with markings to show changes made.**"

If there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

Respectfully submitted,  
STAAS & HALSEY LLP

Date: September 20, 2002

By: 

Mehdi Sheikerz  
Registration No. 41,307

700 Eleventh Street, NW, Suite 500  
Washington, D.C. 20001  
(202) 434-1500

**VERSION WITH MARKINGS TO SHOW CHANGES MADE**

**IN THE CLAIMS**

Claims 18-24 are **AMENDED** as follows.

Recitation of all pending elected claims is provided for reference convenience.

18. (ONCE AMENDED) A method, comprising:  
replacing cash with an electronic [card]medium storing information [representing an amount of money equal]equivalent to cash, the [card]information having characteristics of cash to accommodate identityless monetary transactions with sellers.

19. (ONCE AMENDED) The method of claim 18, wherein the identityless monetary transactions with the sellers involve transferring the stored information from the electronic [card]medium to the sellers.

20. (ONCE AMENDED) A method of performing a cashless transaction with sellers, comprising:

on an electronic medium, storing, as electronic money, information [representing an amount of money]equivalent to cash and financial institution information associated with the electronic money, wherein a holder of the medium performs identityless cashless monetary transactions using the electronic money with any one of the sellers communicating with [a]the financial institutions.

21. (ONCE AMENDED) A cashless transaction method, comprising:  
storing in a non-settled account of a financial institution an amount of money responsive to an amount of money withdrawn as electronic money from accounts of the financial institution[, as electronic money, in form of information representing the amount of money]; and  
settling funds between accounts of [the seller]sellers and the non-settled account responsive to identityless cashless monetary transactions using the electronic money between the sellers and holders of [an]electronic mediums storing the electronic money[, wherein the holder of the electronic money perform identityless cashless transactions with the sellers].

22. (ONCE AMENDED) A cashless transaction method, comprising:  
storing in a point of sale terminal, as electronic money, information [representing amounts of money]equivalent to cash responsive to identityless [casheless]cashless monetary

transactions with buyers and information of a financial institution associated with the electronic money, wherein a seller receives from the financial institution an amount of money responsive to the electronic money.

23. (ONCE AMENDED) A method of performing a cashless transaction with sellers, comprising:

storing on an electronic medium, as electronic money, information [representing an amount of money]equivalent to cash; and

allowing identityless electronic monetary transactions between a holder of the electronic medium[, performing with]using the electronic money and any one of the sellers [an identityless monetary transaction with the electronic money].

24. (ONCE AMENDED) The method according to claim 23, wherein the information [representing the electronic money includes]comprises information of a financial institution associated with the [amount of]electronic money and the method of performing the cashless transaction further comprises,

the financial institution transferring from an account of the holder of the medium to a non-settled account of the financial institution an amount of money responsive to the electronic money on the medium; and

transferring from the non-settled account of the financial institution to [an account]accounts of the [seller]sellers an amount of money responsive to the identityless electronic monetary [transaction] transactions with the electronic money.